



STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.bpu.state.nj.us

IN THE MATTER OF O.C.E.A.N., INC. – EXEMPTION)	ORDER APPROVING
FROM SMART GROWTH REGULATIONS AT)	EXEMPTION
<u>N.J.A.C.14:3-8.8(a)(5)</u>)	
)	NON-DOCKETED MATTER

(SERVICE LIST ATTACHED)

BY THE BOARD

The Board of Public Utilities ("Board") adopted its Extension of Service Rules ("Main Extension Rules") on November 16, 2004 and these rules were subsequently published in the New Jersey Register on December 20, 2004 at 36 N.J.R. 5928. The Main Extension Rules were promulgated to ensure that the Board's regulations governing extension of service reflected the State of New Jersey's Smart Growth policies. This Order will address a petition for an exemption from the Main Extension Rules.

The Board will address a request by O.C.E.A.N., Inc. (Petitioner) for an exemption from the Main Extension Rules pursuant to N.J.A.C.14:3-8.8(a)(5). This section of the rules provides for an exemption from the cost limits on extensions of service in areas not designated for growth for a project that will provide a significant public good. The Petitioner is a non-profit corporation located in Toms River, New Jersey. The Petitioner is proposing to build a child care center that will allow low income parents the opportunity to achieve self sufficiency by attending classes at Ocean County College in Dover Township. The College is in an area not designated for growth. The Petitioner now seek relief from the rules which would otherwise require the Petitioner to pay the entire cost of extending gas and electric service to the child care center. Jersey Central Power and Light has determined the cost of extending electric service would be \$9,478.99. New Jersey Natural Gas has determined the cost of extending gas service would be \$29,239.23.

To obtain an exemption based on a significant public good, the rules provide that a person must demonstrate to the Board that all of the following criteria are met:

1. The project or activity served by the extension would provide a significant benefit to the public or to the environment;
2. That the project ... is consistent with smart growth, or that the benefit of the project outweighs the benefits of smart growth. In making this determination, the Board will consult with the Office of Smart Growth and other State agencies; and
3. There is no practicable alternative means of providing the benefit while still complying with this subchapter.

Pursuant to the requirement in N.J.A.C. 14:3-8.8(h)(2), staff consulted with the Office of Smart Growth. Eileen Swan, Executive Director of the Office of Smart Growth confirmed that by granting this exemption, the Board will not negatively impact the achievement of the State's smart growth goals. Jersey Central Power and Light supports this petition for an exemption and David McKeon, Assistant Planning Director of the Ocean County Planning Board also sent a letter in support of the Petitioner.

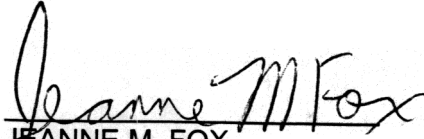
DISCUSSION

After reviewing the petition, the Board FINDS that the above criteria are met. Specifically, the Board FINDS that construction of gas and electric extensions to serve the child care facility on the campus of Ocean County College will constitute a significant benefit to the public; and that benefits of having a child care facility for low income parents located on a college campus outweighs the potential negative impact on the achievement of the State's smart growth goals; and that because the college that it will serve was constructed prior to the operative date of the Main Extension Rules there is no practicable alternative means of providing the benefit while still complying with the rules. Therefore, the Board HEREBY ACCEPTS AND APPROVES the exemption from the Main Extension Rules pursuant to N.J.A.C. 14:3-8.8(a)(5) for an extension of gas and electric service to a child care facility to be build by O.C.E.A.N. Inc., on the campus of Ocean County College in Toms River, New Jersey.

Pursuant to N.J.A.C. 14:3-8.8(j)(3) the Board is to determine the distribution of costs for the extension at the time of approval of the exemption based on significant public good. Therefore, the Board HEREBY ORDERS that the distribution of costs for this extension shall be governed by the requirements at N.J.A.C. 14:3-8.7 for extensions that serve a designated growth area.


DATED: 9/29/06

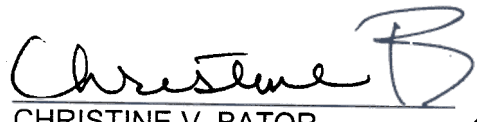
BOARD OF PUBLIC UTILITIES
BY:


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FREDERICK F. BUTLER
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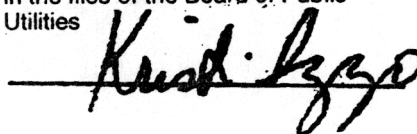

CONNIE O. HUGHES
COMMISSIONER


CHRISTINE V. BATOR
COMMISSIONER

ATTEST:


KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public
Utilities



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